

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2717 - SB 3751

February 3, 2010

SUMMARY OF BILL: Requires the trier of fact in all civil actions to determine the amount of punitive damages. Limits such awards to \$300,000 and prohibits a jury acting as trier of fact from being advised of the award limitation. If a jury returns a verdict for punitive damages in excess of the cap, requires the judge to reduce the award to \$300,000. Exempts punitive damages awarded pursuant to the Hazardous Waste Management Act of 1983.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Assumptions:

- Currently, any liable party that fails without sufficient cause to properly provide for the removal of hazardous substances or remedial action upon order of the Commissioner of Environment and Conservation (TDEC) pursuant to the Hazardous Waste Management Act may be liable to the state for punitive damages. Such punitive damage awards are equal to 150 percent of the amount of any costs incurred as a result of the failure. This bill does not change TDEC's authority. No fiscal impact on TDEC as a result.
- Any additional costs for the courts when a jury returns a punitive damages award exceeding the cap will have a not significant increase on the judicial system. Any increase can be accommodated within existing judicial resources without an increased appropriation or reduced reversion.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

/lsc